

County Trends



Garfield

December 2002

A Local Economic Perspective

Headed Out of the Economic Mire?

If they shot the bearer of bad economic news in Garfield County, I'd probably want to steer clear of the area. Not that there aren't a few glimmerings of hope. The reopening of the mill in Escalante should provide a boost to the economy.

Labor Market Malaise

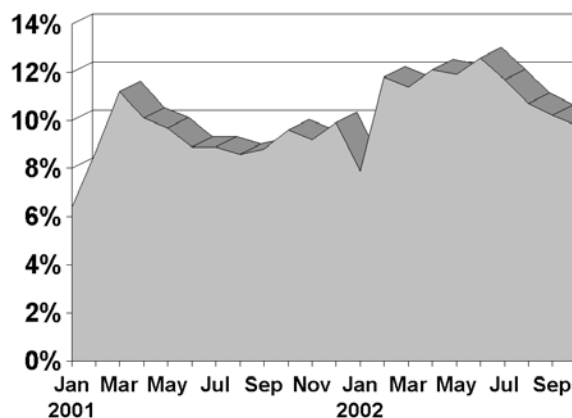
Garfield County's seasonally adjusted unemployment rate is always high. The seasonal nature of the economy and the nature of seasonal adjustment make it so. And when the seasonal rates start to climb, it might be time for a little concern.

Of course, "raw" or unadjusted rates look great in the summer when the tourism industry is full bloom. Often, employers have difficulty finding workers. But, the off-season results in higher joblessness.

There is good news here though. Even though rates crept up through most of 2001 and the first part of 2002, they do appear to be declining. Nevertheless, Garfield County's seasonally-adjusted unemployment rate clocked in at 9.8 percent in October 2002—the most recent figure available. That's almost twice the state rate.

Okay, okay, I've always said that **really** the rate of job growth is the most important indicator of a local

Seasonally Adjusted Garfield County Unemployment Rates

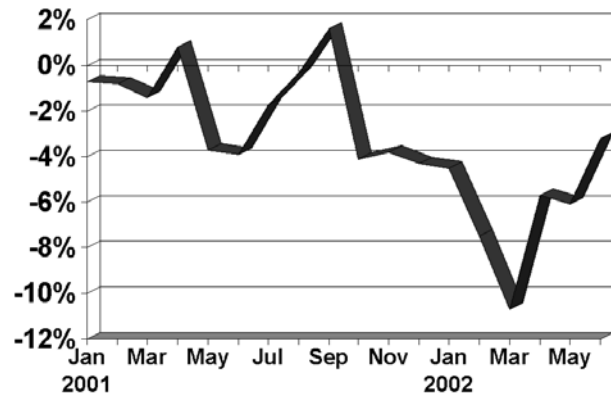


Source: Utah Department of Workforce Services.





Year-Over Change in Garfield County Employment



Source: Utah Department of Workforce Services.

To the Point

Hit by the double whammy of a recession and 9-11 that kept travelers home, Garfield County's economic indicators look pretty bleak. Unemployment is high, employment is contracting and sales are down. However, construction permitting has improved dramatically for the first half of 2002. The labor market should begin creating jobs in the last half of 2002.

economy's well being. Unfortunately, Garfield County's performance hasn't been exactly stellar in this arena either. In fact, the county's been losing employment for most of the last two years.

However, mirroring the unemployment rate, losses have started to moderate. Instead of 12-percent employment losses, jobs were down only 3 percent by June of 2002. These figures do not yet include new jobs created by the opening of the mill in Escalante (see the back page).

The job losses have been widespread, touching almost every major industry. Even government employment declined. However, hardest hit was accommodation and food services—the backbone of tourism-related employment. On the other hand, gasoline stations added some new jobs.

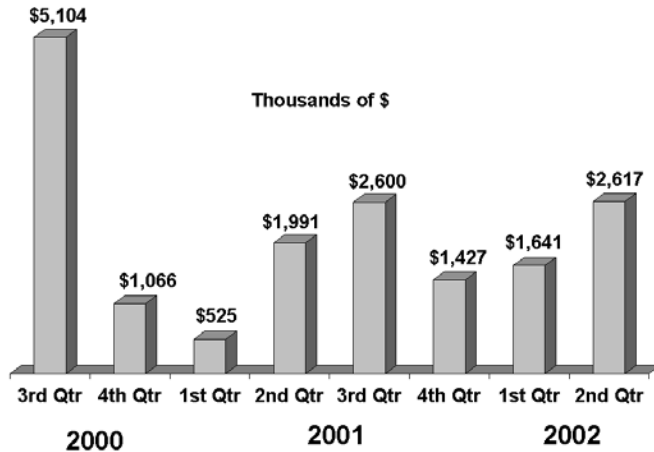
(Stop, stop, you cry! You're not familiar with all these industry groupings! Well, welcome to the wonderful world of NAICS—the North American Industrial Classification System. From now on, we will be publishing county-level employment data using NAICS coding. If you'd like to find out more about NAICS, check out this website: <http://jobs.utah.gov/wi/Naics/dwsdefault.asp>)

Construction Shines

There is one very bright positive note in this otherwise minor-keyed song. Permitted construction values for the first half of 2002 were up almost 70 percent over

Total Garfield County Approved Construction Values

3



Source: Utah Bureau of Economic & Business Research.

the first half of 2001. This could also help jump start the ailing economy.

New residential construction was the driving force behind this strong showing. The number of permits issued rose by almost half and total permit values nearly doubled.

Roughly 40 percent of the new permits were issued for single family homes. The remainder fell in either the cabin or manufactured/mobile home categories. As in the past, most of the building activity is occurring outside of the county's major townships.

Sales Moderate

Like the labor market, sales appeared to at least be heading in the direction of recovery. First quarter actually managed a 2-percent year-over increase before second quarter ushered in a 2.5 percent contraction in sales.

Retail sales actually improved quite nicely during the first half of 2002. Services sales (which includes those at hotels and motels) was primarily responsible for the second-quarter decline.

Lecia Parks Langston, Regional Economist
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Quick Facts

October 2002

Unemployment Rate

Garfield County	9.8%
Utah	5.1%
U.S.	5.7%

June 2002 Change from Previous Year

Job Growth

Garfield County	-3.2%
Utah	-1.3%
U.S.	-1.1%

2nd Qtr 2002 Change from Previous Year

Construction Values

Garfield County	69.3%
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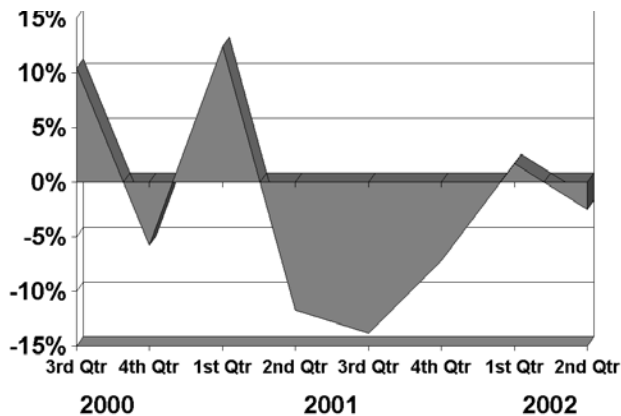
Sales

Garfield County	-2.5%
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Source: Utah Dept of Workforce Services,
Bureau of Labor Statistics,
Utah Tax Commission,
Bureau of Econ & Business Research.

For more economic information about Garfield County see:
<http://wi.dws.state.ut.us/regions/county.asp>

Year-Over Change in Garfield County Gross Taxable Sales



Source: Utah Tax Commission.

The mission of the Utah Department of Workforce Services is to provide quality, accessible, and comprehensive employment-related and supportive services responsive to the needs of employers, job seekers, and the community.

What's Up? ⁴

- The Steed family has reopened the Utah Forest Products Mill in Escalante that originally closed in March. Now, 53 employees are back on the job—mostly hired from among the 65 who lost their jobs when the mill closed. The company has purchased equipment for a "micro-mill."
- Scenic Highway 12, which runs through Garfield and Wayne counties, is now an All-American Road—one of only 20 in the United States.

For more economic events, see:

<http://wi.dws.state.ut.us/Regions/western/garfield/garfielddee.pdf>



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Equal Opportunity Employment Program

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